Texas Water Development Board

P.O. Box 13231, 1700 N. Congress Ave. Austin, TX 78711-3231, www.twdb.texas.gov Phone (512) 463-7847, Fax (512) 475-2053

September 27, 2017

Mr. Samuel Coleman, P.E. Acting Regional Administrator U. S. Environmental Protection Agency, Region 6 1445 Ross Avenue, Suite 1200 Dallas, TX 75202-2733

Dear Administrator Coleman:

On behalf of the public water and wastewater systems in the State of Texas, the Texas Water Development Board (TWDB) is respectfully submitting a request for a public interest waiver pursuant to Section 608 of the Federal Water Pollution Control Act (FWPCA) and Section 425 of the Consolidated Appropriations Act, 2017 from the use of American Iron and Steel (AIS) requirements for certain projects that qualify for Clean Water State Revolving Fund (CWSRF) Emergency Relief and Drinking Water State Revolving Fund (DWSRF) Urgent Need funding.

On August 25, 2017 Hurricane Harvey made landfall in south-central Texas as a Category 4 hurricane, threatening millions of residents with high sustained winds, heavy rain, and massive storm surges that swamped coastal areas. These events led to the Governor's Disaster Declaration affecting 58 counties, as well as a Presidential Disaster Declaration identifying 43 counties affected by the catastrophic weather. As Texas experiences natural disasters or unexpected catastrophic events, it is recognized that financing for water and wastewater systems during an emergency event requires expedited project management and delivery to return the system to production within a short period of time.

Beginning in 2011, Texas began offering an emergency relief program as a feature of the CWSRF and DWSRF programs. This allowed for bypassing other projects to provide immediate assistance to restore systems and alleviate public health threats. Eligibility requires a justification that a need exists for emergency relief from an imminent threat to public health, safety, environment, or welfare because of a disaster. Beginning in 2015, the DWSRF established an Urgent Need funding option that offered principal forgiveness on a first-come, first-served basis. Recent changes to both programs now offer additional interest rate subsidies below the standard State Revolving Fund reduced interest rates.

Our Mission

Board Members

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas

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TWDB is requesting eligible projects to be exempt from AIS requirements under this waiver, if projects meet the requirements described below:

- 1. Disaster declaration by the President or Governor has occurred within 180 days before the application is submitted to the TWDB;
- 2. The community water or wastewater system receiving funding serves a population of 10,000 or fewer;
- The proposed project qualifies for funding through the CWSRF Emergency Relief or DWSRF Urgent Need Program, as defined in the respective programs' Intended Use Plans;
 - a. For more information on the CWSRF Emergency Relief Program please review Section VI, Emergency Relief funding, in the SFY 2018 Intended Use Plan (<u>http://www.twdb.texas.gov/financial/programs/CWSRF/doc/SFY18/SFY2018</u> <u>CWSRF IUP.pdf</u>)
 - b. For more information on the DWSRF Urgent Need Program please review Section VI, Urgent Need funding, in the SFY 2018 Intended Use Plan. (<u>http://www.twdb.texas.gov/financial/programs/DWSRF/doc/SFY18/SFY2018</u> <u>DWSRF_IUP.pdf</u>).

We are requesting a public interest waiver for emergency projects necessary to address or prevent outages that arise from a reasonably unexpected disaster or catastrophe such as droughts, earthquakes, hurricanes, and floods. This request focuses on assisting small systems with limited capacity to recover from emergencies. While the entity should make every effort to use the domestic products first, if the timely availability of domestic iron and steel products affects short-duration emergency projects, then these projects could use non-domestic iron and steel products to meet the recovery needs of water and wastewater systems.

The TWDB requests a public interest waiver only for the specific projects outlined above. Section 608 of the FWPCA and Section 425 of the Consolidated Appropriations Act, 2017, provides for waivers where the Administrator of the Environmental Protection Agency finds that applying the American Iron and Steel provisions "would be inconsistent with the public interest." Delaying the restoration of public water and wastewater systems that have been impacted by flood, drought, or other disasters is inconsistent with public interest.

Thank you for your consideration of this request. If you have any questions or need further clarifications, please feel free to contact me at (512) 463-7847.

Sincerely,

Executive Administrator

cc: Claudia V. Hosch, Associate Director, Water Division, Assistance Programs Branch, Region 6